

Memo to Finance Committee
December 17, 1997 Finance Committee Meeting

Items 11 and 12 - Files 123-97-8 and 101-97-50

Department: Department of Public Works (DPW)

Items: Hearing to consider the Department of Public Works estimated additional costs, if any, to complete the City Hall Non-Seismic Improvement Project, the funding sources and the amounts of additional funding required to complete the project (File 123-97-8).

Supplemental appropriation ordinance of City Hall Improvement Bond Fund proceeds for design and construction of seismic and non-seismic improvements at City Hall (File 101-97-50).

Amount: \$25,192,702

Source of Funds: \$12,000,000 - 1990 Earthquake Safety (ESP2) Bond
Interest Earnings
8,300,000 - Reappropriation of 1990 Earthquake Safety (ESP2) Bond Funds
4,892,702 - Interest from 1995 City Hall Non-Seismic Related Improvement Bonds
\$25,192,702

Description: In June of 1990, San Francisco voters approved \$332,400,000 in General Obligation Public Safety Improvement Bonds, Phase 2 (ESP2) to repair and upgrade earthquake damaged City-owned buildings throughout the City and to seismically reinforce City-owned buildings. To date, \$75.7 million of the ESP2 bonds have been allocated to the City Hall seismic-related Project. According to DPW, the ESP2 bonds have earned a total of \$39.3 million in interest, to date.

The proposed supplemental appropriation would appropriate \$12 million of the interest earnings from the ESP2 bonds for seismic improvements related to the City Hall Project. According to Mr. Tony Irons, the Project Manager of the City Hall Project for DPW, all of the remaining \$27.3 million in interest earnings (\$39.3 million total interest earnings less \$12 million in interest earnings from the proposed supplemental appropriation) from the ESP2 bonds have been committed to ongoing projects.

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BUDGET ANALYST

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The proposed supplemental appropriation would also reappropriate \$8,300,000 of the following previously appropriated ESP2 bond funds for the City Hall seismic improvement project.

<u>ESP2 Bond Project</u>	<u>Amount to be Reappropriated</u>
101 Grove Street (Department of Public Health) Building	\$1,375,000
Master Project Unallocated	4,986,500
Asbestos Set-aside	1,600,000
Davies Hall Project	<u>338,500</u>
Total	\$8,300,000

According to Mr. Irons of DPW, this \$8,300,000 is not required for the above-listed projects for which these funds were originally appropriated, due to changes in project scope, the securing of Federal Emergency Management Agency (FEMA) funds or insufficient funds to complete the projects (See Comments 1 and 2 for additional details).

As reported above, the City Hall Seismic-related Project received a total of \$75.7 million from the ESP2 bond funds. In addition, FEMA and the State Office of Emergency Services (OES) allocated \$105 million for the City Hall Seismic-related Project, for a total of \$180.7 million for the City Hall Seismic-related Project. According to Mr. Irons of DPW, these funds were to cover all of City Hall's seismic repairs including the costs of (1) complete structural repair, (2) electrical, mechanical and architectural work associated with the removal and replacement of surfaces and systems to facilitate structural work, (3) hazardous material abatement where encountered and (4) accessibility improvements in areas of alterations.

However, the allocation of \$180.7 million was not sufficient to fully fund all of the seismic improvements or the new non-seismic service improvements needed at City Hall to replace the necessary City Hall systems, including the fire safety, ventilation and electrical systems. In addition, office renovation funds were needed for the third and fourth floors of City Hall, which had previously been occupied by the Trial Courts, but which were to be moved to a new courthouse on the corner of Polk and McAllister Streets. And finally, additional office improvements to bring City Hall up to

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code and enable modern telephone and computer equipment were needed.

As a result, in November of 1995, San Francisco voters approved a \$63,590,000 General Obligation bond issuance to support non-seismic improvements to City Hall (Proposition A). In April of 1996, the Board of Supervisors appropriated \$5,687,710 of the Proposition A non-seismic bond funds to begin design work and for other related costs. In July of 1996, the Board of Supervisors appropriated the balance of \$57,902,290 of the 1995 City Hall Improvement Bond Funds, placing \$43,524,203 on reserve, pending selection of contractors and related cost and MBE/WBE information. To date, all of these City Hall non-seismic bond funds have been released from reserve.

At the July 17, 1996 Finance Committee Meeting, potential changes to the non-seismic renovation plans for City Hall were addressed by Mr. Irons. The Board of Supervisors received a full briefing on the design plans for City Hall, but did not include legislation pertaining to any plan changes for City Hall. The costs of any such potential changes were not addressed at that hearing.

According to DPW, the Proposition A General Obligation non-seismic bonds of \$63,590,000 have earned \$4,892,702 of interest, to date. The proposed supplemental appropriation would allocate all of these interest earnings for the completion of the seismic related improvements for the City Hall Project.

Mr. Irons reports that Attachment 1 reflects the costs of the additional \$30,968,000 of seismic work required at City Hall that was beyond the initial \$180.7 million allocated in the original 1990 ESP2 General Obligation Bond. Attachment 1 also identifies those items which would be funded with the requested \$25,192,702 supplemental appropriation. According to Mr. Irons, some of this work has already been completed and some of this work has yet to be completed. However, as indicated in Attachment 1, the \$25,192,702 of funds for these seismic repairs has been allocated from the 1995 non-seismic General Obligation Bond funds.

As shown in Attachment 2, according to Ms. Michelle Sexton of the City Attorney's Office, based on representations made by Mr. Irons that the description of the improvements contemplated by the San Francisco

voters in the 1995 Proposition A non-seismic General Obligation Bonds included seismic projects, these non-seismic bonds can be used to finance seismic renovations at City Hall. However, according to Mr. Irons, the reverse is not true. That is, the 1990 seismic General Obligation Bond monies cannot be used to fund non-seismic related improvements to City Hall (See Comment No. 10).

The Budget Analyst questions the use of non-seismic-related bond funds to reimburse seismic work that has already been completed in order for other non-seismic related work to take place, especially given the fact that seismic work on other previously identified projects will be unable to be completed. In fact, the official digest for the 1995 Proposition A non-seismic City Hall Bonds stated "Proposition A will allow the City to borrow \$63,590,000 by issuing general obligation bonds to make other improvements (emphasis added) to City Hall while the earthquake strengthening is being done".

\$25,192,702 of the non-seismic bond funds have been allocated to seismic related projects. Therefore, in order to fund the proposed additional non-seismic enhancements that are currently proposed for City Hall, the DPW is requesting that the proposed supplemental appropriation of \$25,192,702 be used to reimburse the 1995 Proposition A non-seismic General Obligation Bond monies that have been used for seismic-related City Hall expenditures. This reimbursement of \$25,192,702 will then free-up \$25,192,702 of non-seismic bond funds that can be used for other non-seismic improvements to City Hall, which are beyond the current scope of Proposition A's non-seismic bond funding, as approved by the San Francisco electorate, such as for reconstruction of the City Hall Dome and refurbishment of ornamental metals. Such City Hall improvements also include further historic preservation of the building and facade, additional hearing and special function rooms, reconfiguration of the space and utility systems on the first and second floors, life safety egress modifications to the Ground and Main floors to accommodate public assemblies and increased audio visual, security and broadcast capabilities (See Attachment 3 provided by Mr. Irons for specific detail).

As shown in Attachment 3, the estimated cost to complete all of the proposed additional non-seismic improvements to City Hall total \$47,670,481. Therefore,

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the requested \$25,192,702 would only be able to finance 52.8 percent of the proposed additional non-seismic improvements to City Hall, leaving an unfunded balance of \$22,477,779 to complete these non-seismic improvements to City Hall (See Comment 4 for additional details on this unfunded balance).

Comments:

1. According to Ms. Tina Olson of the DPW, the \$4,986,500 of Master Project Unallocated funds proposed to be reappropriated for the City Hall Seismic-related Project is due to the closeout of numerous ESP2 projects throughout the City that had funds remaining in their budgets. Ms Olson reports that in some cases, the projects were completed under-budget and in other cases, FEMA and/or OES funds were used to reimburse the previously appropriated City bond funds for individual projects.

Mr. Frank McPartland of DPW reports that the \$1,600,000 of Asbestos Set-aside funds proposed to be reappropriated for the City Hall Seismic-related Project is because, although appropriated, none of these Set-aside funds were ever expended. According to Mr. McPartland, a total of \$1,600,000 was appropriated for the Asbestos Set-aside account for all of the ESP2 projects to use. However, Mr. McPartland reports that each of the ESP2 projects budgeted their own asbestos removal and remediation costs within their individual budgets and therefore did not require any additional funds.

Ms. Marilyn Thompson of the DPW reports that the \$338,500 from the Davies Hall Project proposed to be reappropriated for the City Hall Seismic-related Project is because the earthquake damage repairs to Davies Hall were completed at a lower cost than originally estimated.

2. Mr. Irons reports that it was originally intended that all of the additional funds remaining in the ESP2 bond be allocated to the 101 Grove Street Building, which houses the Administration of the Department of Public Health (DPH). This would have resulted in an appropriation of \$12 million of 1990 ESP2 bond interest earnings, that are proposed for appropriation in this legislation for City Hall and a reappropriation of \$6,925,000 that is proposed for reappropriation in this legislation for City Hall, in addition to the previous appropriation of \$1,375,000 for DPH's 101 Grove Street Building. Together, this would

have resulted in a total allocation of \$20,300,000 for DPH's 101 Grove Street Building.

However, seismic upgrading and renovation of the 101 Grove Street Building is estimated to cost approximately \$45.4 million, according to DPW estimates. DPW reports that the \$45.4 cost estimate is \$25.1 million more than the \$20.3 million currently available from the ESP2 funds which is being used to partially fund this subject request of \$25,192,702. As a result, DPW has recommended that the City use all of these seismic-related bond funds to reimburse additional seismic improvements in City Hall and not proceed with the seismic strengthening of the 101 Grove Street Building Project until secure and adequate funding is available for that Department of Public Health Building at 101 Grove Street.

Therefore, if the Board of Supervisors approves the use of seismic bond funds, as is being proposed under this legislation for reimbursement of additional seismic improvements at City Hall, there will be no seismic funds remaining for the 101 Grove Street Project. This will result in halting the seismic strengthening and repairs to the DPH Building

3. According to Mr. Irons, DPW is currently planning a General Obligation Bond issue in 1998 or 1999 to cover the seismic and renovation costs for more City-owned buildings, including those that were not completed under the 1990 ESP2 General Obligation Bond measure. Mr. Irons reports that seismic repairs and retrofit of the 101 Grove Street Building are planned to be included in this upcoming General Obligation Bond measure as well as the costs for seismic repairs and retrofit of the War Memorial Building. Both of these buildings were included in the original budget for the 1990 ESP2 General Obligation bonds, but the funds to seismically strengthen these two buildings were subsequently diverted to the needs of the City Hall Project.

The Budget Analyst notes that to the extent that monies are transferred from the DPH's 101 Grove Street Building seismic bond appropriation and from other ESP2 appropriations to the seismic and non-seismic renovations for the City Hall Project, such transfers will ultimately result in a larger General Obligation Seismic Safety Bond measure in the future.

4. As shown in Attachment 3 and discussed above, the proposed \$25,192,702 supplemental appropriation request, which is the subject of this legislation, will not fully fund the completion of the City Hall non-seismic related Project. Mr. Irons reports that he is currently working on submitting an application for Federal Hazard Mitigation grant funds of approximately \$55 million for the necessary remaining shortfall for the non-seismic improvement project needed for City Hall. Mr. Irons reports that the actual shortfall of funds to complete the non-seismic related City Hall Project is currently \$47,670,481, as shown in Attachment 3. If the proposed supplemental appropriation of \$25,192,702 is approved, then the remaining shortfall for the completion of the non-seismic related City Hall Project is \$22,477,779.

Mr. Irons reports that he anticipates receiving the total of approximately \$55 million of Federal Hazard Mitigation grant funds for reimbursement of the City's ESP2 costs for the base isolation system, a system which provides the needed seismic upgrading completed at City Hall. According to Mr. Irons, any funds that the City receives from such Federal Hazard Mitigation grant monies that exceed the \$22,477,779 shortfall of funds would be used to repay the ESP2 bond fund, which would then be available for other eligible ESP2 seismic projects, such as DPH's 101 Grove Street Building or the War Memorial Building.

5. However, if the DPW is not successful in securing these Federal Hazard Mitigation grant funds, Mr. Irons reports that although construction will proceed on City Hall consistent with previous direction, if the Federal/State funding of at least \$22 million is not clearly available by February 1, 1998, Mr. Irons will submit a prioritized list of items of the remaining work. As shown in Attachment 4, Mr. Irons reports that "the Mayor and the Board of Supervisors can then select a design direction in concert with a review of available General Fund monies".

In other words, Mr. Irons is indicating that DPW will likely be seeking General Fund monies to complete the additional non-seismic improvements that are desired at City Hall, if DPW is not successful in securing at least \$22 million of Federal Hazard Mitigation grant funds for the City Hall Project.

6. Attachment 5 is a schedule provided by Mr. Irons which identifies all of the costs from all funding sources for the entire City Hall Project, broken down by the seismic related costs versus the non-seismic related costs. As shown in Attachment 5, the total cost for the City Hall Project is \$292,734,811, including both seismic and non-seismic improvements. As shown in Attachment 5, a total of \$172,871,624 has been expended to date. Although the total cost for the entire City Hall Project is estimated at \$292,734,811, as reflected in the attached schedule, the DPW has only received a total of \$245,057,032 of funding for the entire City Hall Project, leaving a current shortfall of \$47,670,481*. If the proposed supplemental appropriation is approved, the remaining shortfall is \$22,477,779, which as discussed above, the DPW anticipates receiving from Federal Hazard Mitigation grant funds.

7. Mr. Irons has provided the Budget Analyst with floor plans indicating the proposed locations for various City departments for City Hall when it is to be occupied in January of 1999. Attachment 6 identifies those City Departments/Divisions that previously occupied City Hall and the amount of square feet for each of these Departments/Divisions and also identifies the proposed Departments/Divisions to occupy City Hall after the renovations are completed, including the amount of square feet and the maximum number of occupants per Department/Division. This plan indicates that prior to the renovations at City Hall, a total of 1,306 City Department employees were located in City Hall, including volunteers, temporary help and trainees. The proposed plan indicates that a total of 749 City Department employees would be relocated to City Hall, including volunteers, temporary help and trainees. The proposed plan therefore represents a reduction of 557 City Hall employees, or over 42 percent fewer employees than were located in City Hall prior to the renovations. Mr. Irons cautions that the proposed plan is subject to change, which may include both increases and/or decreases in the number of City employees to be located in City Hall, depending on the individual needs of each Department and its staff. The actual occupant numbers will be determined by Department head assignments, according to Mr. Irons. Mr. Irons also states that the building has been designed to accommodate a maximum of 1,147 occupants, including City employees,

* Rounded.

volunteers, temporary help, trainees and other services, such as for a childcare facility, event space, San Francisco history & flag area and security. The Budget Analyst notes that this maximum occupancy of 1,147 is still 13.5 percent less than the 1,326 actual (City and non-City employees) total occupancy prior to the renovations of City Hall.

This raises the question of where will the revenues to pay for the additional lease costs for rent of private office space for these City employees come from. Presently, the revenues to pay for the leased space for employees who were previously housed in City Hall come from the bond funds. According to Mr. Irons, these costs are approximately \$4,500 per year per employee, based on approximately 250 square foot per employee at \$18 per square foot per year. Based on prior representations made to the Board of Supervisors, the Board placed an argument in favor of the Proposition A non-seismic improvement bonds in the 1995 Voter Information Pamphlet which stated that Proposition A would save the taxpayers money "by moving more rent-paying departments into space previously used by the Courts on the 3rd and 4th floors." As reflected in the proposed plan, this would clearly not be the case.

Mr. Irons states that he addressed this issue to the Finance Committee in a letter to Supervisor Hsieh in July of 1996. According to Mr. Irons, the conditions have not substantively changed since that time. As reflected in that letter, Mr. Irons states that "the building will have two grand public spaces in the light courts available for events. Provided the City is willing to charge a fee beyond the operational cost for use of these spaces, as does the Academy of Sciences and the Legion of Honor, . . . revenues of \$260,000 per year for one event per week or as much as \$1,000,000 a year for four events per week" could be realized. Mr. Irons however states that, to date, a policy for making such space available to the public and rental rates have not yet been established.

8. Mr. Irons states that City Hall is on schedule and is anticipated to be completed by January 2, 1999.

9. The Controller's Office has prepared an Amendment of the Whole, which removes the word "non-seismic" from the title of the proposed ordinance. This changed language is necessary because, as discussed above, the

proposed ESP2 seismic funds cannot be used for non-seismic purposes.

10. Mr. Irons has provided the Budget Analyst with detailed project cost breakdown of the subcontractors that have been selected to complete the proposed work on City Hall. As shown in Attachment 7, DPW has exceeded its goals for both MBE and WBE participation on the City Hall Project. According to Mr. Irons, all of the subcontractors are working under the prime contractor, whose contract was awarded prior to the effective date of the Equal Benefits Ordinance.

11. Attachment 8 provided by Mr. Irons identifies the specific reasons why the City Hall Project needs these additional requested funds, summarizes the Budget Details, the Project Status and the Main Benefits to be Derived from the Project. In addition, Attachment 8 identifies five Negative Impacts that would occur, according to Mr. Irons, if the proposed supplemental appropriation is not approved. The Budget Analyst is concerned that the Board of Supervisors is only now being asked to approve additional funds for the non-seismic related improvements for the City Hall Project. However, as reflected in Attachment 8, if the Board of Supervisors does not approve the proposed supplemental appropriation, as requested, the City will incur major financial problems with the City Hall Building, according to Mr. Irons, such as incurring approximately \$575,000 per month in extended overhead construction contractor costs, incurring approximately \$430,000 per month in City staff and construction management consultant costs and approximately \$240,000 per month in lease extension costs for various City departments, for a total of approximately \$1,245,000 per month of additional costs.

12. In summary, the proposed \$25,192,702 supplemental appropriation would appropriate \$12 million of 1990 ESP2 Bond interest earnings, reappropriate \$8,300,000 of 1990 ESP2 Bond funds previously appropriated to specific projects and appropriate \$4,892,702 of 1995 non-seismic bond funds interest earnings. As shown in Attachment 1, costs of an additional \$30,968,000 of seismic related work have been required at City Hall, beyond the initial \$180.7 million allocated in the 1990 ESP2 General Obligation Bond. Mr. Tony Irons, the Project Manager for the City Hall Project for DPW reports that \$25,192,702 of the 1995 non-seismic bond funds have been allocated to

these seismic-related projects, as identified in Attachment 1.

The City Attorney's Office has determined that the 1995 non-seismic bond funds can be used to fund seismic projects. However, the reverse is not true, such that the 1990 seismic bonds cannot be used to fund non-seismic improvements to City Hall. As a result, the proposed \$25,192,702 supplemental appropriation would be used to reimburse those 1995 Proposition A non-seismic bond monies that were used to fund seismic projects. This will then free up \$25,192,702 of non-seismic bond funds that can be used to fund additional non-seismic improvements to City Hall.

The Budget Analyst questions the use of non-seismic-related bond funds to reimburse seismic work that has already been completed in order for other non-seismic related work to take place, especially given the fact that seismic work on other previously identified projects will be unable to be completed. Due to the reappropriation of ESP2 bond funds, under the proposed legislation, from the Department of Public Health's 101 Grove Street Building, if the Board of Supervisors approves this ordinance, there will be no funds remaining for the 101 Grove Street Building. In fact, the official digest for the 1995 Proposition A non-seismic City Hall Bonds stated "Proposition A will allow the City to borrow \$63,590,000 by issuing general obligation bonds to make other improvements (emphasis added) to City Hall while the earthquake strengthening is being done".

The total estimated cost for the City Hall Project is \$292,734,811, including both seismic and non-seismic improvements. Attachment 3 identifies total costs of \$47,670,481 of additional non-seismic improvements, for which DPW does not currently have sufficient funding. If the proposed supplemental appropriation of \$25,192,702 is approved, the remaining shortfall to complete these non-seismic improvements would total \$22,477,779. Mr. Irons is currently submitting an application for \$55 million of Federal Hazard Mitigation grant funds to cover the remaining shortfall. If the City receives Federal Hazard Mitigation grant funds that exceed the \$22,477,779 shortfall of funds, the additional grant monies would be used to repay the ESP2 bond fund, to enable other eligible seismic projects to be undertaken. However, if DPW is not successful in securing Federal Hazard Mitigation grant funds of at

least \$22 million by February 1, 1998, DPW will likely be seeking General Fund monies to complete the additional non-seismic improvements that are desired at City Hall.

Prior to the renovation of City Hall, a total of 1,306 City employees were located in City Hall, including temporary help, volunteers and trainees. The proposed plan indicates that a total of 749 City employees would be relocated to City Hall, including temporary help, volunteers and trainees. The proposed plan therefore represents a reduction of 557 City Hall employees, or over 42 percent fewer employees than were located in City Hall prior to the renovations. Mr. Irons cautions that this plan is subject to change, depending on the individual needs of each City department. Based on prior representations made to the Board of Supervisors, the Board placed an argument in favor of the Proposition A non-seismic bonds in the 1995 Voter Information Pamphlet which stated that Proposition A would save the taxpayers money "by moving more rent-paying departments into space previously used by the Courts on the 3rd and 4th floors." As reflected in the proposed plan, this would clearly not be the case.

This raises the question of where the revenues to pay for the additional lease costs for rent of private office space for these City employees will come from. According to Mr. Irons, it will cost approximately \$4,500 per year per employee. According to Mr. Irons, "the building will have two grand public spaces in the light courts available for events. Provided the City is willing to charge a fee beyond the operational cost for use of these spaces, as does the Academy of Sciences and the Legion of Honor, . . . revenues of \$260,000 per year for one event per week or as much as \$1,000,000 a year for four events per week" could be realized. Mr. Irons however states that, to date, a policy for making such space available to the public and rental rates have not yet been established.

And finally, the Budget Analyst is concerned that the Board of Supervisors is only now being asked to approve additional funds for the non-seismic related improvements for the City Hall Project. As reflected in Attachment 8, if the Board of Supervisors does not approve the proposed supplemental appropriation, as requested, the City will incur a total of approximately \$1,245,000 per month of additional costs.

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Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

S a n F r a n c i s c o C I T Y H A L L



Seismic Retrofit Project

Building Improvement Project

□ 2288U

1049H ■

December 11, 1997

Mr. Harvey Rose
Budget Analyst for the Board of Supervisors
1390 Market Street, Suite 1025
San Francisco, CA 94102

Attention: Debra Newman

Dear Mr. Rose:

The following is a list of those items not funded by the \$181 million dollar seismic allocation for City Hall which were necessary to complete a functional building. The \$25.19 million dollar Supplemental Appropriation will be applied to those items abating Proposition "A" monies already spent for their construction. This list is derived from Attachment "A" in the Supplemental Appropriation.

ALLOCATION OF ATTACHMENT "A" ITEMS TO THIS SUPPLEMENTAL

Seismic related work not funded by \$181 million seismic allocation required to complete a fully habitable and functional building.	Amount	% Allocated To This Supplemental	Total Allocated To This Supplemental
1. Interior office ventilations (2 nd & 3 rd floors)	\$3,600,000	100%	3,600,000
2. Complete new electrical & telephone system	13,800,000	100%	13,800,000
3. Demolition, architectural & patching	5,750,000	100%	5,750,000
4. Code upgrades to historic lighting	575,000	100%	575,000
5. Completion of roofing & roof drain repairs	2,300,000	0%	0
6. Repair of damaged paint and wood finishes	920,000	0%	0
7. Build out of Ground floor tenant spaces	3,737,500	40%	1,468,000
8. Replacement of attic fans	115,000	0%	0
9. Replacement of PCB ballasts	170,500	0%	0
TOTAL	\$30,968,000		\$25,193,000

Sincerely,

Anthony E. Irons
Project Manager

AEI:yc

CITY AND COUNTY OF SAN FRANCISCO



LOUISE H. RENNE
City Attorney

OFFICE OF THE CITY ATTORNEY

MICHELLE W. SEXTON
Deputy City Attorney
DIRECT DIAL: (415) 554-3941

December 11, 1997

Mr. Harvey Rose
Budget Analyst for the Board of Supervisors
1390 Market Street, Suite 1025
San Francisco, CA 94102

Re: City and County of San Francisco General Obligation Bonds, Series 1996A (City
Hall Improvement Project) - approved by the voters on November 7 1995

Dear Mr. Rose:

You have asked whether bond proceeds from the City and County of San Francisco General Obligation Bonds, Series 1996A (City Hall Improvement Project) which were approved by the voters on November 7, 1995 (the "1996A Bonds") can be used to fund "seismic" projects at City Hall. Based on representations made by Anthony E. Irons, project manager for the City Hall project, that the description of the improvements contemplated by the voters for the 1996A Bond authorization include seismic projects, 1996A Bond proceeds may be used to fund seismic projects at City Hall.

Very truly yours,

A handwritten signature in cursive script, reading "Michelle Sexton".

Michelle W. Sexton
Deputy City Attorney

CITY HALL SUPPLEMENTAL APPROPRIATION
NOVEMBER 1997

ATTACHMENT "B"

Desired building enhancements not funded by Proposition "A"

1. Flexible Space Alterations

A major redesign of all spaces, respecting the historic fabric, to permit proper modern functioning of department spaces and to allow department sizes to change over time without requiring significant construction modifications.

2. Main Floor Assembly Requirements

Code and practical alterations to permit assembly functions to occur in many spaces of the Main Floor. The alterations, not a part of Proposition "A" should have been effected just even for just continued use of the rotunda area for major functions.

3. Hearing and Special Function Rooms

Casework, millwork, acoustic treatments, accessibility modifications and seating to provide for five hearing rooms (not including the Board Chamber), a press conference room and four rooms equipped for tele/conferencing.

4. Audio-Visual, Security and Broadcast

Building-wide systems, which are in addition to the Proposition "A" funded telecommunications component which will make the building a truly "smart" building and allow for video conferencing, Main Floor sound and lighting, remote public interaction with public hearings, video display and sound enhancement at hearing room dais', building wide monitored security, media coverage capabilities with central control and external connections and live gavel to gavel hearing coverage.

5. Historic Preservation

Reconstruction, renovation and refurbishment, beyond the scope allocated in Proposition "A" of millwork, cabinets, counters, the dome, doors and hardware, ornamental metals and the concealment of all utility systems behind ornate plaster, stone and wood finishes.

Attachment 3

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City Hall Supplemental
Attachment "B"
P.2

6. Bidding Climate and Acceleration

Due to the enormous amount of construction in California, there is a much less competitive bidding climate now than 2 1/2 years ago when bond costs were estimated. Also, we have made great efforts to insure that most of the work, notably the stonework, woodwork and plaster are being performed by San Francisco firms with MBE/WBE components in excess of HRC goals. If funded as proposed, the work volume as compared to the original Proposition "A" will have doubled with no extension of time. It may be necessary to pay for overtime or double/triple shifts to meet the completion date.

TOTAL COST OF WORK DEFINED ABOVE:

\$47,670,481

NOTE: These components represent the total difference in cost between the original Proposition "A" scope of work and the project as designed and bid at present. They were not estimated or bid as separate items but are embodied in parts of the work of many trades (e.g. bathrooms on the main floor are parts of plumbing, stone, doors, drywall, electrical, etc). It is therefore not possible to give an exact figure per item.

Post-It* Fax Note 7671		Date 12-12	# of pages 4
To Debra Newman		From Tony Lyons	
Co./Dept.		Co.	
Phone #		Phone #	
Fax # 252-0461		Fax #	

S a n F r a n c i s c o
C I T Y H A L L



Seismic Retrofit Project

☐ 2288U

Building Improvement Project

1049H ■

December 11, 1997

Revised

Via Fax: 554-6158

Mr. Matthew Hymel, Director
Mayor's Office of Budget
401 Van Ness Avenue, Room 304
San Francisco, CA 94102

Dear Mr. Hymel:

In confirmation of our discussions this morning, I will convey to the Board of Supervisors through the Budget Analyst the following decision regarding the construction of City Hall should financing beyond this \$25.19 million dollar Supplemental Appropriation not be available from the anticipated Federal and State sources:

After appropriation of this \$25.19 million, I will proceed with construction as presently designed consistent with all previous directions I have received. Should anticipated Federal/State funding of at least \$22 million dollars not be clearly available by February 1, 1998, I will submit a prioritized list of items of work. The Mayor and Board of Supervisors can then select a design direction in concert with a review of available general fund monies.

Please respond with your comments at your earliest convenience. I can be reached at the office at 863-2639 or 207-6316 pager or 297-8742 cell phone. My fax number is 863-2712.

Respectfully,

Anthony E. Irons
Project Manager

TI:yc

CITY HALL PROJECT SUMMARY

Activity	Previously Approved Funding	On Reserve	This Request	Expended to Date	Revised Budget
FEMA	78,999,999	0	0	152,523,010	78,999,999
State Office Of Emergency Services	26,333,333	0	0	Included Above	26,333,333
1990 ESP-2 Seismic Bond	75,736,458	0	0	Included Above	75,736,458
Misc. Other	397,242	0	0	Included Above	397,242
1995 Non-Seismic Bond	63,590,000	0	0	20,348,525	63,590,000
Subject Of This Request	0	0	25,200,000	0	25,200,000
Total Sources	245,057,032	0	25,200,000	172,871,535	270,257,032
Seismic & Relocation Uses:					
1. CH Data Centers Relocation & Consolidation	1,080,410	0	0	1,080,410	1,080,410
2. CH E.Q. Damage Repairs 2176Q	1,713,568	0	0	1,713,468	1,713,568
3. CH Add'l. Interim Shoring 2371Q	352,535	0	0	352,535	352,535
4. Material Testing Lab N. Point 6097U	669,917	0	0	669,917	669,917
5. CH Office Space Search 1126H	150,000	0	0	6,619	150,000
6. CH Facility Preservation 2289F	1,345,699	0	0	1,239,754	1,345,699
7. CH Dome Earthquake Repair 2355Q	648,133	0	0	648,133	648,133
8. CH Handicap Toilets 2362F	72,863	0	0	72,492	72,863
9. SFCH Tenant Relocation 2368U	37,350,843	0	0	33,311,659	37,350,843
10. SFCH Seismic Retrofit 2288U	138,083,064	0	25,200,000	113,428,022	181,460,843
11. Seismic & Relocation Subtotal	181,467,032	0	25,200,000	152,523,009	224,844,811
Non-Seismic Uses:					
12. SFCH Improvement Bond 1049H	63,590,000	0	0	20,348,525	63,590,000
13. Acceleration	0	0	0	0	2,400,000
14. Lease Extensions	0	0	0	0	1,900,000
15. Non-Seismic Subtotal	63,590,000	0	0	20,348,525	67,890,000
16. Totals	245,057,032	0	25,200,000	172,871,624	292,734,811
17. Remaining Shortfall					22,477,779

San Francisco CITY HALL



Seismic Retrofit Project

Building Improvement Project

□ 2288U

1049H □

PRE-RELOCATION OCCUPANTS

DEPARTMENTS/DIVISIONS	<i>Prior Occupants</i>	<i>Prior Sq. Ft.</i>
Assessment Appeals	3	2,790
Assessor/ Recorder	104 (10) 37	13,120 9,980
Board of Supervisors	33 (11)	7,731
BOS Chamber/Committee Rm.	0	4,609
Business & Community Service	11	2,980
City Administrator	33	6,500
City Attorney	70	13,970
Civil Service Comm.	6	1,520
Clerk of the Board of Sups	23	1,320
Commerce & Trade	3	470
Controller Department	116	20,810
Courts	295	82,000
Criminal Justice	16	2490
DET	7	6,912
Department of Elections	12 (76)	14,950
DPW (<i>Director, BSM, OFFMA</i>)	110	18,293
DPW/Custodial. & Maint.	7	11,380
Film and Video	4	980
Human Resources	21	11,490
Law Library	12	12,550
Mayor's Administration	34	6330
Permit Appeals	5	810
PUC	6	2,620
Purchaser Admin	30	5,830
Reproduction Mail Service	20	10,640
Sheriff Administrative	16	2,430
Sheriff's Bailiffs	9	0
Sheriff Civil	25	3,080
Treasurer/ Tax Collector	21 (20) 100	10,970 14,010
<i>TOTAL (w/temp)</i>	<i>1189 (1306)</i>	<i>303,565</i>

Note: The number in parentheses represents volunteers, temporary help, and trainees

San Francisco CITY HALL



Seismic Retrofit Project

Building Improvement Project

□ 2288U

1049H □

PRE-RELOCATION OCCUPANTS

SERVICES	<i>Prior Occupants</i>	<i>Prior Sq. Ft.</i>
Café	3	1,330
Hearing Rooms	0	1250
Post Office (United States)	4	584
Press Rooms	6	400
Title Companies	6	600
Transit Center	1	50
<u>TOTAL</u>	<u>20</u>	<u>4214</u>
GRAND TOTAL w/serv	1209	307,779
(w/temp/serv).	(1326)	

TRAINEES, TEMPS, VOLUNTEERS	<i>Prior Occupants</i>	<i>Prior Sq. Ft.</i>
Assessor	10	
Board of Supervisors	11	
Department of Elections	76	
Treasurer/ Tax Collector	20	
TOTAL Trainees, Temps, Vol.	(117)	

Note: The number in parentheses represents volunteers, temporary help, and trainees

San Francisco CITY HALL



Seismic Retrofit Project

Building Improvement Project

□ 2288U

1049H □

PROPOSED OCCUPANTS

DEPARTMENTS/DIVISIONS	Proposed Occupants	Proposed Sq.Ft.	Maximum Occupants
Assessment Appeals	13	1,400	13
Assessor/ Recorder	37	9,645	51
Assistance/Neighborhood Outreach	9	3,300	16
Board of Supervisors	44 (22)	14,157	44(22)
BOS Chamber/Committee. Rm.	0	4,920	0
Children Youth Family	26	3,870	28
City Administrator	18	5,313	19
City Attorney	94	28,214	157
Clerk of the Board of Sups	24	6,459	24
Common Support	0	20,584	8
Controller Department	61	14,236	70
Criminal Justice	10	1,551	13
DET	4	400	4
Department of Elections	9(123)	12,360	9(132)
DPW (<i>Director, BSM, OFFMA</i>)	33	6,108	36
DPW/Custodial. & Maint..	26	11,700	30
Economic Development	24	5,335	26
Grants for the Arts	13	1,531	7
Housing	29	4,893	29
Mayor's Administration	36	11,568	40
Reproduction Mail Service	1	400	1
Sheriff Administrative	22	7,000	25
Treasurer/ Tax Collector	36	12,500	40
Unassigned	35	8,519	35
TOTAL (w/temp)	604 (749)	195,963	725(870)

Note: The number in parentheses represents volunteers, temporary help, and trainees

San Francisco CITY HALL

Attachment 6

Page 4 of 4



Seismic Retrofit Project

Building Improvement Project

□ 2288U

1049H □

PROPOSED OCCUPANTS

SERVICES	Proposed Occupants	Proposed Sq.Ft.	Maximum Occupants
AV Center	0	1,200	0
Bicycle Storage	0	900	0
Broadcast Control	3	2,100	6
Café	3	3,500	3
Childcare	50	3,500	50
Event Space	3	11,500	72
Event Food Service	0	1,200	0
Event Staging and Storage	0	5,350	15
Exercise	0	800	0
Executive/Legislative Board Rm		1,664	0
Hearing Rooms	0	12,000	36
Mayor's Vehicle Entrance	0	1,100	1
Post Office (United States)	3	750	3
Press Rooms	6	1,000	6
Press Conference room	0	1,780	0
SF History & Flags	2	11,800	78
Security	6	1,100	6
Security Delivery	0	700	1
Telecom rooms	0	2,000	0
TOTAL	76	62,280	277
GRAND TOTAL w/serv	680	259,907	1002
(w/temp/serv).	(825)		(1147)

TRAINEES, TEMPS, VOLUNTEERS	Proposed Occupants	Proposed Sq.Ft.	
Board of Supervisors	22		
Department of Elections	123		
TOTAL Trainees, Temps, Vol.	(145)		

Note: The number in parentheses represents volunteers, temporary help, and trainees

Page 6.

Project Cost Breakdown, Cont.

RECAP

Total for MBE's.....	11,635,685
Total for WBE's.....	4,139,765
Total Subcontract Amount.....	52,679,119
Total MBE Percentage of Subcontract Work.....	22.1%
Total WBE Percentage of Subcontract Work.....	7.9%

<u>MBE Dollars</u>	<u>WBE Dollars</u>	<u>Total Subcontracts</u>
900	301,990	4,412,672
506	720,754	737,700
4,000	431,000	758,209
95,000	397,300	456,305
3,500	209,000	17,742,504
70,950	500,000	2,881,470
2,530	650,000	685,659
4,200,000	106,525	2,706,423
2,100,000	138,936	11,315,199
1,746,600	30,000	10,982,978
184,000	12,000	
200,000	160,000	
11,220	94,059	
486,135	353,775	
77,303	34,426	
73,675		
8,000		
159,440		
1,463,339		
748,587		
11,635,685	4,139,765	52,679,119
MBE: 22.1%	WBE: 7.9%	
MBE GOAL: 20%	WBE GOAL: 6%	

Specific Additional Funding Requirements

The specific reasons this project needs additional funding are:

1. As previously noted, the seismic funds originally allocated to the City Hall project were insufficient to provide a complete, functioning, occupiable building. Proposition "A" funds were allocated to architectural, electrical, telecommunications, mechanical, and abatement work which should have been included in the seismic project (see attachment "A").
2. Requests for public space on the main floor and multiple hearing rooms changed the code designation of much of the City Hall space from "business" to "assembly" which required multiple improvements to provide adequate exits and expanded the casework, lighting, security, sound and audio-visual systems.
3. The Proposition "A" work funded basic patching, painting, carpeting for existing spaces with the intent of relocating everyone, except the courts, back exactly where they came from. This has subsequently been determined to be neither desirable nor practical. The current design concept, presented to and approved by the Finance Committee on July 17, 1996, envisions fairly major alterations to many spaces to accommodate specific functions, historic renovations, and a flexible layout to allow spaces to be used as either open public space or occupiable by departments without requiring major construction alterations.
4. At the time we prepared Proposition "A" in early 1995, there was a very competitive bidding environment. Due to the strong economy and the amount of building in San Francisco and the Bay Area, this is no longer the case. As a result, bids have been coming in approximately 10% more than estimated.

Budget Details

Attached is a detailed listing of the \$25.19 million we need to make seismic related repairs to City Hall (see attachment "A"). Again, we are not requesting funds to cover any costs associated with building improvements not specifically required to make City Hall a habitable, seismically reinforced building. Attachment "B" details the improvements which, with approval of this request would be possible with Proposition "A" funds. We have also included a summary of the entire City Hall Project budget and anticipated funding sources.

Project Status

The total project is currently on schedule, which means it will be open by January 2, 1999. The original \$181 million seismic work except for work purposely delayed for Proposition "A" coordination is both within its original schedule and on budget. All of the Proposition "A" improvements have been designed and most of the subcontractors mostly selected. In September of 1997, the Finance Committee released the remaining Proposition "A" funds for this project.

Main Benefits to Be Derived from the Project

1. City Hall is a National Landmark. It is considered one of the finest examples of classical architecture in the world. These additional funds will allow for general renovations that are consistent with the building's original design intent and the historic significance of the building.
2. City Hall will be able to accommodate either large public events or department operations, which will allow city administrations to change space uses without incurring major construction costs.

Negative Impacts If Not Approved

1. We will have to extensively redesign the project at an additional cost and we will not meet the project completion date of 12/31/98.
2. The construction contractors will charge the project approximately \$575,000 per month in extended overhead costs to remain on the project beyond the planned project completion date.
3. It will cost the project approximately \$430,000 per month to fund City staff and construction management consultants to remain on the project past the completion date.
4. The City will have to pay approximately \$240,000 per month in lease extensions for departments intended to move into City Hall upon completion.
5. If we have to significantly reduce the project scope, we will not be able to complete the original bond program objectives.

Contact Person: DPW: Project Manager, Tony Irons: 863-2639



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State University of New York at Stony Brook

1. The first part of the paper is devoted to a review of the literature on the subject of the effect of the environment on the development of the human brain. It is found that the environment has a profound effect on the development of the brain, and that the effects are often irreversible.

2. The second part of the paper is devoted to a review of the literature on the subject of the effect of the environment on the development of the human brain. It is found that the environment has a profound effect on the development of the brain, and that the effects are often irreversible.

3. The third part of the paper is devoted to a review of the literature on the subject of the effect of the environment on the development of the human brain. It is found that the environment has a profound effect on the development of the brain, and that the effects are often irreversible.

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9. The ninth part of the paper is devoted to a review of the literature on the subject of the effect of the environment on the development of the human brain. It is found that the environment has a profound effect on the development of the brain, and that the effects are often irreversible.

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